



Seattle City Employees' Retirement System

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Seattle City Employees' Retirement System

***** Retirement Department *****

2013 Annual WMBE Plan

The Retirement Department administers the plan assets of the Seattle City Employees' Retirement System (SCERS). It has always been this department's intent to ensure WMBE investment management firms get access to institutional investing opportunities when the manager has proven capabilities. It is generally more difficult for a smaller WMBE firm to gain access to larger state pension funds due to the general size of the investment mandate. It is through access with smaller municipal and county retirement plans that WMBE and other emerging managers are able to develop the client base and grow their business portfolio of assets under management.

SCERS number one objective is return on performance and therefore selecting a WMBE investment manager is only after identifying all other selection criteria is equal.

1. **Department Representative:** For 2013 the department WMBE representative will be the Executive Director. The Executive Director will attend contracting equity interdepartmental team meetings on behalf of the department. Attendance at any applicable trade show will be identified on a case by case basis.

2. **Traditional 2013 Goals:**

- Purchasing Goals: < .05% purchasing
- Consultant Goals: 15% of SCERS AUM*

As of December 31, 2012 – SCERS had approximately 11% of AUM with a WMBE investment firm.

3. **Outreach Events:** It is this department's goal to identify and engage in conversation with more WMBE investment management firms. Access to institutional investors such as SCERS is more challenging for WMBE firms. This is due to the smaller firms' ability to manage larger plan's dollar mandates. A state pension plan may look to place dollar mandates five and ten times the size of what SCERS would seek to place with one manager.

4. **Plans and Strategies:** In 2013, the department investment staff will continue to monitor for opportunities - where all other selection criteria being equal – to present to the Board of Administration WMBE firms with proven capabilities. Additionally, the Executive Director will seek out known industry professional organizations designed to promote established WMBE firms and help facilitate proper due diligence of potential manager firms through SCERS Investment Consultant.

2012 Historical Data:

December 31, 2012 Holdings by WMBE investment management firms –

<u>Firm Name</u>	<u>Dollars Under Management</u>	<u>Firm Representation</u>
Attucks Asset Management	123,642,371.67	White Female & African American
Pugh Capital Management	65,845,788.90	African American (female)
Bison Capital	7,789,225.68	Asian
Nogales Fund II	3,662,957.00	Hispanic
Capital Point Partners	4,206,683.15	African American
Smith Whiley Fund III	5,741,792.00	African American (female)
Capri Select Income Fund II	2,167,974.00	African American
TOTAL AUM with a WMBE	\$213,056,792.40	

* AUM = Assets Under Management